

CHILD SUPPORT GUIDELINES ADVISORY COMMITTEE SEPTEMBER 12, 2003

MINUTES

Committee Members Present:

Stewart Ralphs, Co-Chair
Jan Day
Millie Peterson
Tom Maloney
DiAnna McDowell
Bruce Bilodeau

Jessie Fan
Dave Salazar
Judge Joseph Fratto
Mark Brasher

Committee Member Excused:

Helen Christian, Co-Chair

Staff Present:

Robin Arnold-Williams, DHS
Vanessa Thompson, DHS

Guests Present:

List on File

Welcome and Introductions:

Stewart Ralphs, Co-Chair, called the meeting to order at 12:05 p.m.

Approval of Minutes from August 8, 2003:

The minutes from the August 8, 2003 meeting were approved as drafted.

Discussion of Public Comments

The committee received approximately forty comments from members of the public. Each committee member was sent a packet of those comments and a summary of the comments for review prior to the meeting.

Discussion Issue-Tax Exemption

One of the most addressed issues in the comments received from the public was the issue of tax exemptions. The committee discussed these comments and several possible solutions. Many of the comments received reflected that the parent who provides the most support should receive the tax benefit.

The committee discussed approaches to the tax exemption issue and several members commented that a set presumption is inappropriate.

Millie Peterson stated her concern about misinformation about federal and state laws with relation to taxes and even divorce issues generally. She wondered if any agencies made information available to the public about these issues. Stewart noted that Legal Services

puts out a pamphlet on general family law, and OCAP - Online Court Assistance Program is available on the internet <http://www.utcourts.gov/ocap/index.html>.

Jessie Fan pointed out some of the presumptions in the PSI tables and stated that if these presumptions are removed from the tables, the numbers will change. She stated that the table included in the November 2002 PSI report overestimates tax liability for both parents, and as a result, numbers in tables are lower than they should be. Jessie suggested changing some of the presumptions and asking PSI to rework the tables.

Judge Fratto commented that it is difficult to factor taxes into anything as many situations change from year to year.

Jesse suggested a possible solution in which the tax exemption(s) be converted into a percentage if the exemption is awarded to the non-custodial parent. This way, if the non-custodial parent receives the exemption, a slight increase will be reflected in the child support amount. If the custodial parent receives the exemption(s), they will see a slight decrease in the child support amount. The presumption will be that the party who receives the tax exemption will receive the most benefit.

Millie Peterson moved that staff request PSI to come up with the percentage for that average offset and it be examined at the next meeting. Jesse seconded the motion and the motion passed unanimously.

Discussion Issue-Treatment of Health Care Costs

The committee discussed the differences between the amounts for health insurance premiums and other extraordinary/uninsured medical costs. The committee has previously decided that it would not accept the \$250 incorporation for these costs per year, per child, in the base child support table prepared by PSI.

Mark Brasher noted that if the committee recommended any changes to distribution of health insurance premium costs, ORS would have to alter its computer system considerably. Such an overhaul would be costly and would likely have a negative impact on any recommendations from the committee during the legislative session.

After discussion of several possible solutions, Thomas Maloney moved that the committee recommend that health insurance premiums remain divided at 50/50 and that uninsured costs be distributed by proportion of income. The order is presumed proportional and the court can allow for a deviation. Jan Day seconded the motion, the motion passed with 9 yes votes and 1 vote in opposition.

Discussion Issue-Treatment of Child Care Costs

The committee discussed the distribution of child care costs. Stewart commented that these are often variable costs for most families and it could be an incentive to the custodial parent to keep the costs down if they remained split between the two parties. David Salazar moved that the distribution of child care costs remain at 50/50. Mark Brasher seconded the motion, and the motion passed unanimously.

Other Business

The committee discussed scheduling a meeting to make a final decision on the tax exemption issue, to discuss new information expected from PSI, and which tables will be recommended.

The next meeting will be on Friday, October 3, 2003 at noon.